



# Federal Activity by New England Advocates: Next Steps

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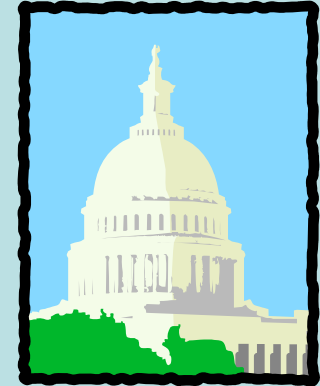
New England Ratepayer Advocate Summit  
September 17, 2008

# Successes to Date

- Replacement of ISO's LICAP (Locational Installed Capacity demand curve) proposal with the Forward Capacity Market (FCM) (not that we always love FCM)
- Base ROE for Transmission in FERC ER04-157 set at 10.2% (Opinion No. 489) well short of Utilities' Request (but with some unfortunate adders)
- Other examples?



# How Did We Stop the LICAP Demand Curve?



- Not through NEPOOL or ISO activity
- Not at FERC—Administrative ruling approved LICAP.
- It was through coordinated efforts to influence **Congress**—substantially all of the New England Sens. And Reps. came out against LICAP, leading to a Sense of the Senate resolution in a big energy bill and a new FERC proceeding

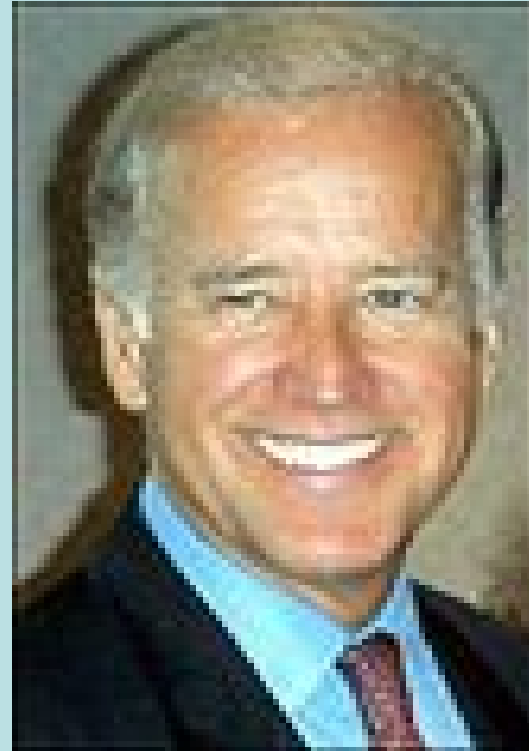
# Is Congress the Only Hope?

# NO!

# Change is Coming



**And not to leave out..**



# New Administration = New Opportunities

- We need to plan for the new administration by:
  - Communicating with new cabinet and commissioners through NASUCA,
  - Determining how FERC policies might change and how we can take advantage of that for customers
  - And, continuing to coordinate with Congress as necessary



# Possible changes from a New Administration

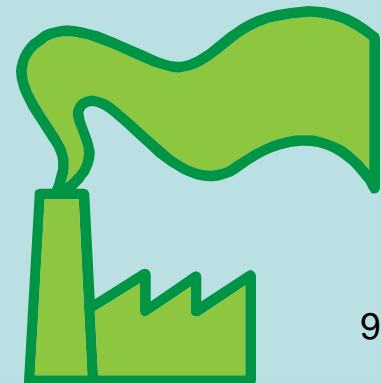
- Increasing focus on DSM (Demand Response and Energy Efficiency)
- Federal cap-and-trade for carbon emissions (impacts on RGGI?)
- Federal Renewable Portfolio Standards
- Greater accountability from RTOs
- Greater emphasis on just and reasonable rates (not “just unreasonable” rates)





# Other Burgeoning Issues

- Transmission in New England-
  - Build For wind?
  - Build to Canada?
  - Build for economics, or only for reliability?
- DSM participation in FCM, Locational Forward Reserve Market
- Old steam units—repower, retire, RMR?
- Seams issues—renewables requirements may force us to confront



# Possible Paths to Coordination

- Cost Sharing on Washington Counsel?
- Determine with greater detail where our policy concerns overlap --- and where they may conflict. Define goals.
- Sponsor educational forum?
- Jointly sponsor reports from consultants?
- Further develop alliance with NECPUC/NARUC/APPA?



# Questions?

